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## STAFFING PROCEDURES AND PROBLEMS IN COMMUNIST CHINA

### ANNEXES

CIA Contribution For Subcommittee on  
National Security Staffing and Operations  
to the Committee on Government Operations,  
United States Senate

THIS MATERIAL CONTAINS INFORMATION  
AFFECTING THE NATIONAL DEFENSE OF  
THE UNITED STATES WITHIN THE MEAN-  
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	<u>Page</u>
ANNEX I. STAFFING A CHINESE COMMUNIST MISSION ABROAD . . . . .	1
ANNEX II. THE STAFFING OF AN INTERNAL SECURITY AGENCY . . . . .	12
ANNEX III. STAFFING AN INDUSTRIAL PLANT . . . .	17

ANNEX I

STAFFING A CHINESE COMMUNIST MISSION ABROAD

The model staffing pattern of a Chinese Communist embassy offered in the following paragraphs is an amalgam of excellent covert reports on several Chinese Communist missions abroad. Not all Chinese installations abroad will do all of the things discussed or do them in the same way, but the general pattern probably holds.

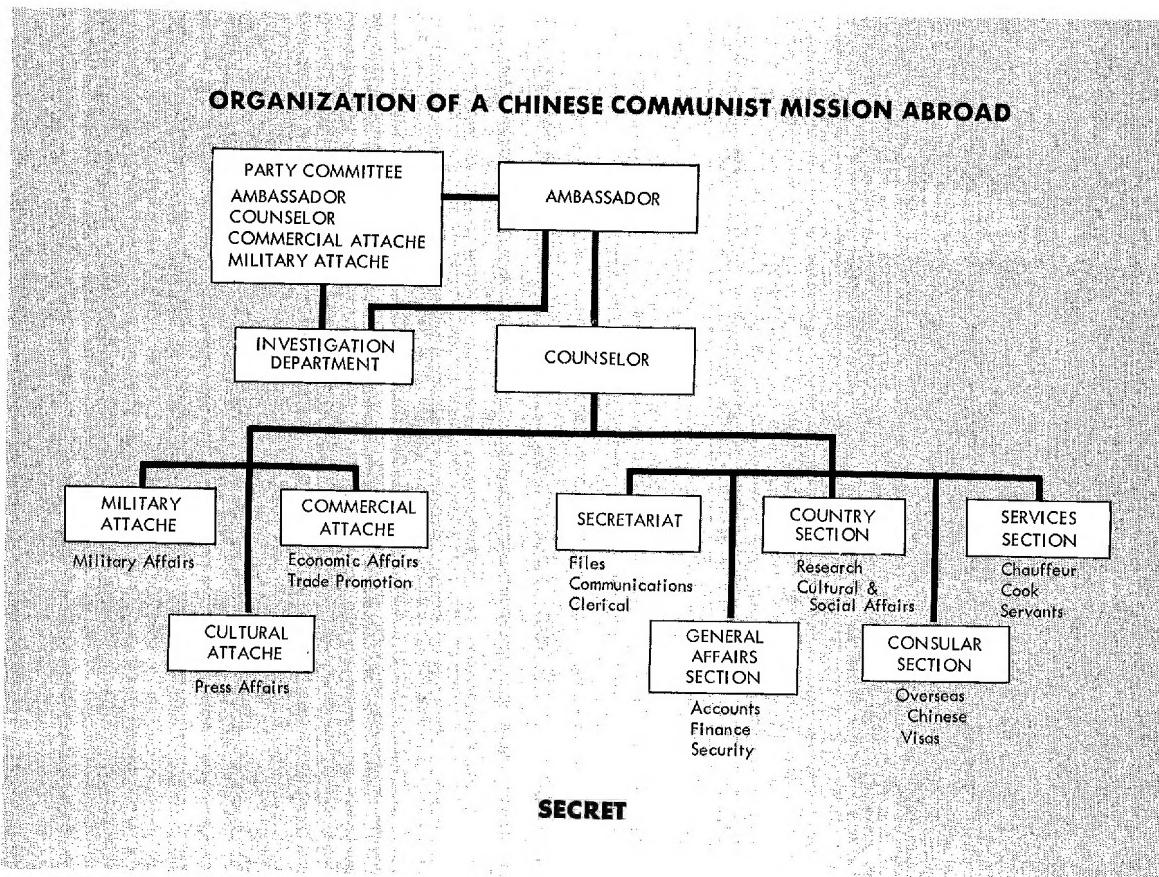
General Principles

The Chinese Communist Party controls all overseas installations whatever their function. The unit through which this control is achieved is the installation's party committee. Formation in the mid-1950's of such committees was in fact described as a "big step forward for the party in its leadership of diplomatic work." At our model installation, the committee is headed by the ambassador and includes the second ranking embassy official, the military attache and commercial attache. It meets at least every other day and makes all decisions with respect to the operation of the mission, from whether the ambassador will accept a luncheon invitation to the tone of his conversational remarks if he goes.

It oversees the indoctrination, training, and discipline of all personnel. It organizes the same kinds of campaigns among mission personnel that the party is emphasizing at home. It runs the basic foreign ministry study programs designed to train personnel in embassy duties. These study programs are needed because many officers are sent abroad with little formal training in diplomacy.

The committee also organizes the basic party groups at the mission and oversees the semi-weekly indoctrination meetings which are compulsory for all embassy personnel. Minutes are kept of these meetings and are sent back to the Organization Department in Peiping. Directives on party matters generally come to the mission's party committee from the Organization Department.

The party committee serves as the basic field coordinating unit for foreign operations run by a variety of Chinese Communist agencies. Each of the functional sections at the mission reports back to its counterpart in



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Peiping. Regular mission personnel report to the Ministry of Foreign Affairs, the military attache to the Defense Ministry, the commercial attache to the Foreign Trade Ministry, and the intelligence representative to the Party's Investigation Department. These people get their assignment, direction, salary and operating expense from their parent organizations. They all, however, are subordinate to the party committee of the mission.

In case of conflict which cannot be resolved satisfactorily by the local party committee, the parties to the dispute report the problem to their respective home offices in Peiping. If the matter can't be resolved at this level it is referred to one of the Central Committee departments or the Central Committee itself.

Personnel from the Investigation Department operate with a greater measure of autonomy than the others. The practice seems to be keep the Ambassador and the party committee informed on some intelligence operations, but not by any means on all. These people can send reports to Peiping without getting the Ambassador's O.K.

In the interest of using assigned personnel effectively, the ambassador has the authority to organize the mission as he sees fit. The Ministry of Foreign Affairs is frequently consulted and does make suggestions. Travelling inspectors from the Ministry call periodically to check on mission organization and operations. Across the board economy measures are sometimes ordered by the Ministry. The chief of mission has some latitude in deciding how the cuts will be absorbed.

#### Mission Personnel

Our model mission, which is in a non-communist country, has some 30 employees. This is 20 fewer than it had before the last big austerity cut in early 1962. Although some Chinese Communist installations abroad employ local help, all 30 were sent out from China. They can generally be classified into three groups; regular diplomats, professional specialists and service personnel. Practically all are party members.

The Chinese Communist diplomatic service has a nucleus of career officers who are shifted from post to post abroad with an occasional tour in the Ministry of Foreign Affairs in Peiping. The ambassador, the first secretary and several of the younger officers are such men. The bulk of the Embassy staff, however, had no background of any kind in

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foreign affairs when they arrived. Few had even travelled abroad. They were selected from the government at large. Some had been surprised at their selection. Not all were delighted.

Only half a dozen of the mission's staff members can speak or read the language of the host country. And only two of these are truly fluent. They are valued and have been longer at the post than anyone else. It is expected that this situation will gradually improve since the foreign ministry is running intensive language courses back in Peiping, and the students there have been assured by Foreign Minister Chen Yi that it is not a deviation to become expert in a foreign tongue. Chen is said to have been disappointed in the quality of linguists produced and to have demanded that more and better ones be trained. Language study is usually available at the overseas installation.

The ambassador, a man in his late fifties, has been a Chinese Communist Party member since he was a student. Prior to his present assignment, he worked in the Ministry of Foreign Affairs in Peiping. His only actual foreign experience was an earlier assignment as a staff member at an embassy in a Soviet bloc country.

The ambassador does not fill the popular image of a suave diplomat. He is regarded by his subordinates as capable and efficient in his work, cold and methodical in his personnel relations. He is married, and has several children.

His wife, but not his children, accompanied him to his present post. She works at the embassy. He is fond of Chinese cooking and eats the food prepared by the embassy cook. He smokes a great deal, but drinks only moderately. Extremely hard working, he spends most of his day at the office.

The number two man is the counselor, who is about 50 years old. He is a normal school graduate and has been a party member since World War II. He has held a series of party positions, but, prior to being assigned to his present post, he had no previous experience either at the foreign ministry or at other missions.

As in the case of the ambassador, the counselor's wife, but not his children, has accompanied him. His wife also works in the embassy. The counselor, a bluff, outgoing man, is relatively free with his opinions. He is well liked and considered competent by his subordinates.

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The third ranking man at the mission is the first secretary. A man in his late forties, he has a college education and is the most fluent linguist at the embassy. A party member, he has been with the Ministry of Foreign Affairs since the early 1950's, and has been at his present post for six years. He has considerable administrative responsibilities within the embassy. He also oversees the Embassy's Country Section which works on monitoring local publications and takes a leading role in local embassy reporting. He is not married.

The military attache, a lieutenant colonel, is about 45. He is a long-time member of the Chinese Communist party. His entire adult career has been spent in the military service. He has only a secondary school education. Prior to his present assignment he had a tour of duty at another mission as an assistant military attache.

In his present position, he represents all branches of the Chinese Communist armed forces. He is a bluff, straightforward man, completely loyal to the party. He is married, but his wife is in China.

The embassy commercial attache is a man in his late forties. A long time member of the Chinese party; he has only a grade school education. Both his commercial and foreign service experience is scant. He was once employed by a department store in a major Chinese city. He was a member of a trade delegation to a Soviet bloc country in the mid 1950's. This was his only connection with his present work, except for a brief tour to various parts of China designed to familiarize him with Chinese export products. His wife originally accompanied him to his present post but was forced to return in an earlier economy drive.

The cultural attache, a man of 50 years, is also a long time party worker. After graduating from a technical school, he turned his hand to journalism and worked for the New China News Agency for several years. This is his first overseas assignment. His wife is with him and works as his assistant at the embassy.

The nominal head of the General Affairs Section, who is about 35 years old, is actually the chief of the embassy's Investigation Department unit. As such he is the only officer at the embassy besides the ambassador permitted to leave the embassy compound alone. His wife is with him and works as one of his assistants. Both are very experienced in intelligence work, and both are long time party members.

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One of the employees of the Country Section was recently sent back to China. He was a man of around 35, who had come from a good family and had served in various foreign posts since the early 1950's. He did not, however, get along with the ambassador, who, he felt, discriminated against him. He was subjected to several long rounds of "criticism and self-criticism" at the embassy, and, when he failed to display a proper attitude, and was sent back to China for an indeterminate period of corrective physical labor.

#### The Operation of the Mission

The business of the mission is to serve as the eyes and ears of Communist China in the country concerned and to do what it can locally to implement Chinese Communist foreign policy. The ambassador once told the staff that he considered the main tasks of the mission were: to influence local public opinion in favor of the Chinese Communists; to turn the country from its pro-western stance; and to help overthrow the government. There was not a great deal of optimism at the installation that these aims were at all feasible. It was recognized that the embassy was hampered by lack of money and qualified people, and by the party's insistence on regarding the mission as a beleaguered castle in the heart of enemy country.

The main effort is of course to collect information on the country in which the embassy is located. This is accomplished in three principal ways: by close attention to the local press and radio, by open contacts with the local populace, and by covert operations. The mission's linguists regularly read the leading local newspapers and magazines. Articles judged to be of interest to Peiping are translated. Those which comment on China are commonly included, though there is a tendency to soften some of the more critical material.

Items which contradict an official Chinese Communist interpretation of a situation are often altered or ignored. The translations are airmailed to other posts in the area and to the Ministry of Foreign Affairs. This service forms the bulk of the embassy's day-to-day reporting.

Reporting from the post does not draw heavily on informed local opinion. This is probably due to the fact that the embassy does not expend great efforts to establish and maintain close contacts either in local official or non official circles. Some staff members, including

the ambassador, tend to regard contacts with non-communists as generally worthless and potentially dangerous.

They may have in mind the fate of an earlier officer who was forced to undergo a lengthy session of self-criticism both at the embassy and back in Peiping for having had too wide and free contacts with the local population. In addition, the military attache probably recalls his entirely unsuccessful attempts to visit local military establishments.

Even contacts with the local communist party are none too free. In the first place the leadership of the local party has shown a tendency to lean toward the Soviet side in the Sino-Soviet dispute. The ambassador and the counsellor have on several occasions expressed their disgust with them, suggesting that their consuming interest in personal comfort was no way to get a revolution going. There are, however, several local communists who are viewed with favor, probably for their more militant stands. These are cultivated by the top people at the embassy who have them in for talks and accept invitations to visit their homes or offices. Other than this, the embassy's contacts with the local party are limited to attempts to place articles favorable to the Chinese Communist position in local communist outlets. The principal objective in dealing with the local party is to influence rather than to learn. No attempt is known to be made to tap the local apparatus for information and insights on the local scene. The views which appear in the local communist papers are included in the material airmailed back to Peiping, but the ambassador rejected an idea that wider contacts would be useful on the grounds that he knew more of what was going on in the country than the local party did.

The embassy, along with a number of other Chinese Communist missions abroad, has come under fire recently for failing to understand conditions in the countries to which they are attached. The embassies were criticized for their failure to get and report "inside information" and for their superficial analysis of such information as was collected.

The main reportorial effort goes into the semi-annual policy and progress review. This is written by the ambassador using contributions from each of the embassy's functional components. It covers the objectives pursued by the embassy in the past six months, the progress made toward reaching them, the problems encountered and

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a statement of what remains to be done. Such summaries are apparently called for in the Ministry of Foreign Affairs' reporting schedule. They probably are used in compiling the Ministry's own periodic progress reviews.

These periodic studies supplement and summarize regular classified pouch and cable messages in which the embassy sets forth its observations on the local scene. These are neither particularly voluminous nor frequent. Added information is provided by the local representatives of the Investigation Department.

In the first half of the 1950's, the Chinese shifted the intelligence gathering function among different party, government and military agencies. Beginning in 1956 it was gradually brought under more centralized control. The function came to rest in the party's Investigation Department under Tsou Ta-peng. The department is not listed in any unclassified official government or party documents and can be considered a completely clandestine organization. This organization sends its own people abroad under the cover of government agencies which have legitimate overseas connections.

Personnel sent abroad under foreign ministry cover conform to the general standards for diplomatic personnel. Both length of tour and conditions of service are similar to those of the ministry. Wives of intelligence officers are frequently sent abroad. There seems to be a decided preference for husband-wife teams in Chinese intelligence work. Wives not only do secretarial work, but in many cases serve as couriers or agent handlers.

Generally, but not invariably, intelligence personnel are placed in the middle range of foreign service assignments. Whatever the cover position, the individual is accorded treatment inside the embassy in keeping with his party status. Persons whose cover position is of a lower grade than his real position with the Investigation Department are paid the salary of the cover position; the difference is credited to his bank account in Peiping.

The embassy's intelligence people draw heavily on the local Chinese community for agent personnel. Major intelligence targets include political, economic, scientific, industrial and military developments in the country where the embassy is located as well as in nearby nations. Regional groupings, the impact of US economic and military aid and the extent of the US influence are other subjects of interest.

- 7 -

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The embassy is also instructed, from time to time, to try to promote cultural and commercial exchanges. The commercial attache, for example, returned from a recent home leave to push more aggressively the sale of Chinese products in an attempt to earn more foreign exchange. Previously trade had been seen largely as a device to influence local people. On his return he set up an exhibit of Chinese products and visited a number of firms in an effort to stimulate their interest in Chinese products. He was not highly successful but did get a few nibbles.

The cultural attache tries to see that Communist China gets a good press locally. He takes charge of distributing the New China News Agency's daily news bulletins, and responds eagerly to requests for information on Communist China. He supplements the press clipping efforts on the embassy's research staff by sending extracts of local press stories and editorial opinion back to the New China News Agency in Peiping. On occasion he has gone to nearby countries to cover special events for the agency.

Money is a big factor in communications between the embassy and Peiping. Telegraphic traffic, compared to US standards, is minuscule. Three to four telegrams a day are sent in very heavy periods. At other times only one telegram is sent every three or four days. The embassy probably averages around one to two a day. There is a full time code clerk to handle classified traffic, and, although the volume of incoming traffic is not known, he certainly is not overworked. A diplomatic pouch is picked up by a pair of the ministry's forty couriers about once a month. These couriers, incidentally, are among the most highly indoctrinated of Chinese Communists. The product of a most painstaking clearance process, they get a three-month, full-time reindoctrination course every year. Yet they almost always travel in pairs. The bulk of the classified exchanges between Peiping and the embassy go by these pouches. The open mail is used for some normal business, such as the transmission of the daily press translations.

As it does within China, the party relies heavily upon personal briefings to keep abreast of what its overseas installations are up to and to keep the installations apprised of the latest policy developments in Peiping. Area conferences for ambassadors are held periodically. At times the ambassadors are called back to Peiping for consultations. At least 21 ambassadors, more than half the total, were brought back to be briefed after the Central

Committee's tenth plenum in September 1962. When the ambassadors return to their posts, they pass along to key members of their staffs the substance of the information received. Embassies occasionally are visited by touring officials from Peiping, who usually brief the embassy staff.

As a general rule, the members of the mission feel isolated from Peiping and have been at times embarrassed by the lack of specific policy guidance. Many Chinese foreign service personnel, for example, were not able to interpret either the commune program or the Chinese positions in the Sino-Soviet dispute to Peiping's satisfaction. In some cases even the ambassadors were not filled in well enough to discuss important matters with members of their own staffs.

The embassy has found that its quickest and most direct contact with the party line is Radio Peiping. The ambassador has made it compulsory for all personnel to listen to two one-hour programs every day. He feels that this contributes to the embassy's understanding of what is going on in Peiping and provides useful material for the regular study sessions. The ambassador himself gets an airmail copy of the People's Daily, which generally arrives three days after printing. The daily bulletin of the New China News Agency are also received by airmail. All party men at the embassy subscribe to the elite theoretical journal Red Flag, but it reaches them by surface mail about a month after publication.

Difficulties in communication are particularly irritating to embassy officials since they must constantly refer even seemingly trivial matters to Peiping for decision. All requests for visas, for example, have to be checked with Peiping, as do such matters as who is to be asked to the annual observation of National Day.

#### Life Abroad

Members of the embassy lead a highly insular existence. Not only are they cut off from home by distance and poor communications but the party's approach to the problem of running an embassy in a capitalist country cuts them off from rewarding personal relationships with local inhabitants. Life at the embassy is viewed as a constant struggle against the "corrupting influence of the capitalist world." The ambassador regards the struggle as particularly acute in his embassy since all personnel are daily

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confronted with the palpable difference between what the party has taught them about a capitalist country and the reality around them.

The party's answer is to try to recreate the living and working conditions of Peiping at the embassy. The ministry, for example, has gone to the trouble and expense of sending a Chinese cook to the embassy. Everyone eats Chinese food prepared by him. They eat well by Chinese standards, but not lavishly. Most staff members wear the plain style of trousers and jacket popularized by the Chinese Communist leaders, although the top people sometimes don western-style clothes when leaving the embassy precincts. Only the highest ranking men, or Investigation Department personnel, can leave the embassy alone. All others must leave in pairs. Even so, the ambassador recently instituted a requirement that those leaving had to sign out, stating where they were going, and why, and when they would be back.

Except for the ambassador and his wife, all staff members eat in the embassy mess hall and sleep in embassy quarters. Both are in the same building with the embassy offices. The ambassador and his wife live in a separate house, and while he sometimes joins the staff for a meal he usually eats in his office with his wife or another colleague.

The embassy is open for business from 8:30am to 6:00pm. Recreation is planned in advanced and taken in groups. It generally involves short trips to nearby places. At other times reading, listening to the radio, watching television or an infrequent movie sent out from China are the chief forms of relaxation. Such moves were more common prior to the big 1962 austerity movement than they are now. A dinner will sometimes be sponsored by the embassy at a local Chinese restaurant, say, to celebrate Chinese New Year's or the anniversary of the founding of the Chinese Communist government. However, invitations to diplomatic functions even from embassies of the socialist bloc, are closely monitored by the party committee and not infrequently rejected. Some are accepted and then ignored.

The atmosphere inside the embassy building is one of mutual suspicion. Petty admonitions are common. The more progressive elements are constantly on the alert for suggestions of deviationist tendencies. For example a simple act like turning on the embassy television set might open one to charges of being attracted to the bourgeoisie life.

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Such a charge, once made, can easily develop into an extended and uncomfortable period of self-criticism at the embassy's regular study groups.

Homesickness is common. Tours of duty are long and only senior officers have their wives with them. The younger officers serve without their wives, who are left behind in China with the children. For such officers the news of hardships at home for the past few years has been particularly upsetting.

Bachelors fare little better. They are warned against fraternizing with local girls and can under no circumstances marry one. There are no female employees except for the wives of higher-ranking officers. One bachelor at the embassy had been engaged to a girl back in China. She married someone else when he could not get leave to return to China.

There are, however, saving elements in the situation. The officer abroad gets a clothing allowance and free medical service. His food and lodging are provided at nominal charges. Most of them are able to build up their savings, and some officers at the embassy deposit up to 50 percent of their salaries in their accounts in Peiping. Need for local currency is limited, but the officers do like to purchase and send back to relatives items such as clothing which are hard to come by in China. One of the ranking officers has taken advantage of his present assignment to pick up a number of luxury items for himself. He has bought a radio, a television set, a German camera, a Swiss watch, a record player and new clothes for himself and wife.

It is likely that, despite the restrictive aspects of his life abroad, the average employee of the embassy considers himself better off than if he had remained in China. As one of them once remarked, "If I had not joined the party, I would probably still be an insignificant school teacher back in China."

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## ANNEX II

## THE STAFFING OF AN INTERNAL SECURITY AGENCY

The Chinese Communist regime must maintain public order over a territory of 3.7 million square miles and a population of almost 730 million people. Although the Chinese regime places great emphasis on persuasive measures to achieve political stability, the coercive aspects of this national security goal are also extensive.

The Ministry of Public Security represents the coercive arm of the government. The Canton Public Security Bureau one of the Ministry's geographical subdivisions, is an important part of the security system. Canton in Kwangtung province is the fifth largest city in the country and is located in part of China which has extensive foreign contacts. Many Overseas Chinese come from Kwangtung. Canton is close to the free world border at Hong Kong. Daily social and business traffic between the two cities is substantial. Canton is a natural headquarters both for external intelligence operations and for operations designed to counter foreign penetration attempts.

Comparatively detailed information on the staffing policies of the Canton Bureau have provided by a man who worked in the Economic Security Department of this Bureau for about four years. Prior to his defection in 1958, he was charged with investigating the political reliability of the employees of government economic agencies such as industrial plants, banks, and commercial units. The personnel of the Economic Security Department were essentially plainclothes investigators. One of their functions was to screen employees of economic agencies. By 1958, the Economic Security Department had investigated and maintained files on more than 80,000 persons, almost four percent of the city's population.

The Canton Public Security Bureau employed about 7,000 persons, of which some 2,000 were professional personnel. The professionals represented a fairly homogeneous group with respect to age, social origins, and political status.

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The employees of the Bureau were all young. With the exception of the head of the Bureau who was in his late forties, almost all full-time professional personnel were under 30.

Most members of the bureau staff were not natives of Kwangtung. They were recruited largely from northern China and thus had few personal ties with the local population. The family background of employees was closely checked. No family connections with either substantial wealth or anti-communist political movements were permissible. The individuals themselves could have had no affiliation with a political movement other than the Chinese Communist Party. No foreign associations were permitted, either travel abroad or relatives residing overseas.

All 2,000 professional employees of the bureau were party members, and many others on the staff were Youth League members. The senior people represented a hard core of experienced personnel. Each of the top five had had more than 20 years of experience in Chinese Communist intelligence work. Together they probably made up the bureau's party committee.

All other professional personnel had been recruited from one of the four following groups: 1) young men in party or Youth League work, recommended by the party officials in charge of these groups as being particularly "progressive" and promising; 2) exceptionally bright high school graduates, recommended by school authorities and selected by the bureau on the basis of competitive examination; 3) former police or intelligence operatives of the Kuomintang, employed as agents for specific projects because of their special knowledge of either technique or locality (use of such individuals was more common in the early 1950's than in 1958); and, 4) wives of bureau employees. In 1958 there were about 500 women employed in the bureau.

With the exception of the third category, most employees had virtually no experience in police work when taken into the bureau. Recruits entering on duty were given a basic training course in public security operations at the bureau's training center, the Canton Institute of Public Security. This was followed by a six-months probationary assignment. Successful completion of this pair of programs resulted in the recruit's full integration into the public security force.

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Thereafter personnel of the bureau were trained empirically on the job. Formal instruction was offered after hours in general investigation and surveillance techniques. Many availed themselves of this opportunity. Few members of the bureau were sent out of Canton for further training. At higher levels of the public security system, study for as long as two years at the National Public Security Institute in Peiping was mandatory. Such a course of study was a prerequisite for promotion to the section chief level in a provincial public security bureau.

The Canton municipal and Kwangtung provincial public security organizations each had their own schools. These specialized in part-time training courses, offering political as well as technical courses.

Day-to-day political indoctrination at the bureau was the responsibility of the party committee. Sessions were both frequent and thorough. Besides attendance at the usual sessions of his political study group the party member had to present himself at meetings conducted quite often by the bureau's party committee which contained a large measure of political instruction.

There were no overall educational standards for employment in the bureau. Self-improvement was encouraged in all walks of life in Communist China and any desire for schooling was encouraged. The staff did not appear to be under any strong pressures, however, to improve its educational level.

Promotion in the bureau was based on a combination of the individual's ideological sturdiness and his professional ability. Below the level of section chief at the bureau, the departmental party committee could recommend promotion to the political department of the bureau. The actual promotion action was taken by the political department. For promotion to section chief, the departmental recommendations was reviewed by the party committees at both the Canton and the Kwangtung Public Security Bureau. It was then submitted to the Canton Party Committee for final action. Department heads at the bureau were appointed by the Canton Party Committee with the approval of the State Council.

Transfers were fairly frequent within the public security system. The former bureau employee worked for four years as an investigator in the Honan Provincial Public Security Bureau before being transferred

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to Canton. His transfer was also a promotion. When he got to Canton, he was assigned administrative responsibilities for the first time and was appointed deputy section chief in an organization doing the same type of investigation work that he had done in Honan. Transfers also occur to jobs which require security training outside the public security agencies. The Ministry of Foreign Affairs, for example, gets its security personnel from these agencies. Special training necessary for a new assignment--such as the complicated physical security measures needed to protect an embassy in foreign territory, or the use and detection of electronic devices--is provided by the security agencies prior to transfer.

The grade and classification system used in the Canton bureau in 1958 was still provisional, although other civilian and military ranking systems had been fixed by about 1955. A rank classification committee had been established in Peiping of representatives from the Ministry of Public Security, the Central Committee of the Party, the State Council, and the General Political Department of the armed forces. The committee was set up to study the Soviet public security organization and to formulate standards for classification and the assignment of Chinese public security personnel. As far as the former employee knew, it had never issued its findings.

Public security employees enjoyed a relatively high standard of living and a measure of prestige. The professionals as a group were extremely young. Their education was no better than moderate. Yet they held responsible positions in an organization which exercised a considerable measure of control over the general population.

Living standards for public security personnel at the professional level appeared to approach the levels enjoyed by officers of the armed forces. Only single men were required to live in barracks. In 1958 only about 1,000 out of 7,000 employees did so. The employees were well uniformed and enjoyed both food and drink on a scale not granted to the average Chinese. Salary payments were considered adequate. And it was possible to incur operational and entertainment expenses in the line of duty if they were substantiated by authorized receipts.

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Discipline within the public security force was largely a party responsibility, since almost all employees were members. Punishment depended, of course, on the nature and severity of the offense, but it always included a crawling session of self-criticism before the relevant party committee. If the misdeameanor was serious enough, self-criticism could be followed by removal from position, demotion in either grade or salary, dismissal, or actual criminal prosecution. Disciplinary action could be taken for reasons that extended well beyond job-related misconduct into an individual's private life. The former employee was once disciplined by the party after his wife, herself a party member, reported that he struck her. More damaging, however, was her second charge that he frequently criticized party meetings in private for being dull and time-consuming.

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## ANNEX III

## STAFFING AN INDUSTRIAL PLANT

A basic policy of the Chinese Communists is that the key positions in state-owned enterprises must be filled by trusted party officials, regardless of their technical qualifications. This rule has been relaxed slightly, but only slightly, since 1960 when the party decided reluctantly that it would have to begin giving greater respect to technicians. Trained persons are being given more authority over actual production processes, but the chief of a plant is still invariably a long-time party official. Most of his key deputies still come from the party organization rather than up from the ranks of technicians. Exceptions exist mainly in very tiny enterprises or those employing especially complex processes. In such cases the deputy will probably turn out to be a non-party technician. In general, however, non-party persons can aspire to reach only the third echelon, below the manager and his deputies.

The party further insures control by providing the officials that staff the plant's Party Committee. This committee is a sort of board of directors supplying policy guidance and overseeing operations. Full-time officials on the committee rank with senior management. Friction between party and management occasionally occurs, but the party generally is able to keep it in check. It is not uncommon to have the same person serve concurrently as plant manager and as secretary of the Party Committee.

Information on current staffing practices in Chinese Communist enterprises can be obtained from the large number of refugees who are constantly leaving the mainland of China for Hong Kong. Probably a typical staffing pattern is the one that exists in the Peiping Machine Tool Plant Number Two. A man who worked at this plant until 1962 says it is average in size and level of technology. It employed 3,800 workers in 1960, a total that was cut to 2,400 during the nationwide industrial retrenchment of 1961-1962. Its products are metal-cutting machine tools (two models of a grinding machine, a shaper, and a boring machine) which it sells for the equivalent of \$1,800 to \$20,000 each. Its quality standards are high, and it managed to export 50 shapers in 1962.

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The manager of the Machine Tool Plant has three deputies, who run the production, supply and administration, and personnel departments. Like most Chinese enterprises, this plant is organized on three levels of administration: departments, sections, and basic-level units (such as workshops and warehouses).

Senior personnel at the plant were described by the refugee. The chief, 45 years old, had participated in the Long March of the 1930's. He has a ninth-grade education, is married, and has three children. His wife works in the Personnel Section.

The first deputy, 55, runs the Production Department. He has the title of Chief Engineer although he has no technical knowledge and must rely on the Chief of his Technical Section for technical guidance. A good political organizer, he has only a sixth-grade education. The second deputy, 55, is in charge of supply and administration. Also a veteran of the Long March, he has a junior middle school (ninth-grade) level of education. The deputy for personnel, 55 and a veteran of the Long March, boasts that he fought in the civil war through the Hainan Island campaign of January 1950.

The Chief of the Technical Section, 50, is a native of Peiping. He is a college graduate and the most highly qualified technical man in the factory. He actually does the Chief Engineer's work. The Chief of the Plant Maintenance Section, 55, also is a college graduate. The Inspection Section, which has the vital responsibility of controlling the quality of production, is headed by a female, age 27, who is a Party member.

The Chief of the Security Section, 55, is a veteran party member who transferred to this job directly from the armed forces. The Personnel Section is headed by a 55-year-old female who was a lieutenant colonel in the army. In the Chinese Communist system, army officers receive full pay when they transfer to a civilian post; the Personnel Section Chief therefore receives salary of 160 yuan per month, which makes her the highest-paid employee in the plant. In fact, ex-army people are prominent in plants throughout China in the vital personnel and security functions.

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